

**STATE MINERAL AND ENERGY BOARD
DOCKET REVIEW COMMITTEE**

ITEMS REQUIRING BOARD APPROVAL

MAY 11, 2011

A. STATE AGENCY LEASES MAY 11, 2011

La. R.S. 30:151 identifies the term "agency" as a levee district, drainage district, road district, school district, school board, or other board, commission, parish, municipality, state university, state college, state penal or charitable institution or agency, unit or institution of the state or subdivision thereof.

La. R.S. 30:155 provides that, if an agency doesn't want the Mineral and Energy Board to do its mineral leasing, it may do its own mineral leasing, the lease given must still be approved by the State Mineral and Energy Board under R.S. 30:158.

La. R.S. 30:156 provides that, if an agency wants to mineral lease its own property, it must follow the same leasing process as the State does, including advertising, sealed bids, etc.

La. R.S. 30:158 provides that, if a mineral lease given by an agency of its own property is not approved by the Mineral and Energy Board, it is an absolutely void lease.

Pursuant to the above statutory authority, listed below are leases given by state agencies and submitted for State Mineral and Energy Board approval. The staff examines the documents submitted to make sure that the agency follows all of the steps this office goes through in leasing State owned acreage and that the document has been properly notarized.

1. STATE AGENCY LEASE (A)

**VERMILION PARISH,
LOUISIANA**

An Oil, Gas and Mineral Lease from the Vermilion Parish Schools, dated March 17, 2011, awarded to Pride Oil & Gas Properties, Inc., covering lands located in North Half and the North Half of the South Half of Section 16, Township 14 South, Range 2 West, Vermilion Parish, Louisiana, containing 491 acres, more or less, with further contractual obligations being more enumerated in the instrument.

BIDDER AND LESSEE	: Pride Oil & Gas Properties, Inc.
BONUS	: \$99,673.00 (\$203.00/acre)
RENTAL	: \$49,836.50
ROYALTIES	: 25% on oil, gas and other minerals
TERM	: Three years

There was only one bid submitted. (Current rider attached)

**A. STATE AGENCY LEASES
MAY 11, 2011**

2. STATE AGENCY LEASE (B)

**VERMILION PARISH,
LOUISIANA**

An Oil, Gas and Mineral Lease from the Vermilion Parish Schools, dated March 17, 2011, awarded to Pride Oil & Gas Properties, Inc., covering lands located in the South Half of Section 16, Township 13 South, Range 2 West, Vermilion Parish, Louisiana, containing 320 acres, more or less, with further contractual obligations being more enumerated in the instrument.

BIDDER AND LESSEE	: Pride Oil & Gas Properties, Inc.
BONUS	: \$98,240.00 (\$307.00/acre)
RENTAL	: \$49,120.00
ROYALTIES	: 25% on oil, gas and other minerals
TERM	: Three years

There was only one bid submitted. (Current rider attached)

3. STATE AGENCY LEASE (C)

**VERMILION PARISH,
LOUISIANA**

An Oil, Gas and Mineral Lease from the Vermilion Parish Schools, dated March 17, 2011, awarded to Jolie Holdings Group, L.L.C., covering lands located in the entirety of Section 16, Township 12 South, Range 1 West, Vermilion Parish, Louisiana, containing 640.32 acres, more or less, with further contractual obligations being more enumerated in the instrument.

BIDDER AND LESSEE	: Jolie Holdings Group, L.L.C.
BONUS	: \$200,000.00 (\$312.00/acre)
RENTAL	: \$100,000.00
ROYALTIES	: 25% on oil, gas and other minerals
TERM	: Three years

There was only one bid submitted. (Current rider attached)

B. STATE LEASE TRANSFERS

MAY 11, 2011

La. R.S. 30:128 (A) provides that no transfer or assignment in relation to any lease of minerals or mineral rights owned by the state shall be valid unless approved by the State Mineral and Energy Board. Additionally, transfers or assignments shall not be granted to prospective leaseholders that are not currently registered with the office of mineral resources.

This sections deals with such transfers of interest in state mineral leases in the form of assignments of rights, subleases, and stipulations of interest. It also deals with transfers such as mergers or changes of names, which act as an assignment of interest to the newly named or emerging entity from a merger. Accompanying each of the items submitted in this section was an Ownership Transfer Form (formerly called a Form B) listing the pre- transfer ownership interest in the lease and the post- transfer ownership interest. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent, that our ownership records are complete and that all form requirements are met.

1. ASSIGNMENT

STATE LEASE NO. 707,
Plaquemines Parish, Louisiana

An Assignment from Maritech Resources, Inc. to Tchefuncte Natural Resources, L.L.C., of all of Assignor's right, title and interest in and to State Lease No. 707, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Tchefuncte Natural Resources, L.L.C. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

2. ASSIGNMENT

STATE LEASE NO. 19642,
Terrebonne Parish, Louisiana

An Assignment from Cabot Oil & Gas Corporation to Petrodome Around the Horn, LLC, an undivided 50% of Assignor's right, title and interest in and to State Lease No. 19642, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

Cabot Oil & Gas Corporation is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

B. STATE LEASE TRANSFERS
MAY 11, 2011

3. ASSIGNMENT

STATE LEASE NO. 2566,
Plaquemines Parish, Louisiana

An Assignment from S. Parish Oil Company, Inc. to Burrwood, LP, of all of Assignor's right, title and interest in and to State Lease No. 2566, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Hilcorp Energy I, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

4. ASSIGNMENT AND CORRECTION
OF ASSIGNMENT

STATE LEASE NO. 13893,
Cameron Parish, Louisiana

An Assignment and Correction of Assignment from Rosetta Resources Offshore, LLC to Vista Tex Energy, LLC, of all of Assignor's right, title and interest in and to State Lease No. 13893, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Desco Oil Company is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

5. ASSIGNMENT AND CORRECTION
OF ASSIGNMENT

STATE LEASE NO. 14357,
Cameron Parish, Louisiana

An Assignment and Correction of Assignment from Rosetta Resources Offshore, LLC to Vista Tex Energy, LLC, of all of Assignor's right, title and interest in and to State Lease No. 14357, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Desco Oil Company is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

6. ASSIGNMENT

OPERATING AGREEMENT "A0072",
Lafourche Parish, Louisiana

An Assignment from Hilcorp Energy I, L.P. to Castex Energy, Inc. and Castex Energy 2008, LP, of all of Assignor's right, title and interest in and to Operating Agreement "A0072", Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

Castex Energy, Inc. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

B. STATE LEASE TRANSFERS
MAY 11, 2011

7. CORRECTION OF RESOLUTION

STATE LEASE NOS. 1480
and 14284, Lafourche Parish,
Louisiana

A Correction of Resolution No. 2 from the November 10, 2010 Meeting, being a Change of Name whereby Araxas Exploration, Inc. is changing its name to XPLOR Energy Operating Company, whereas State Lease No. 1480 was omitted from said resolution and is hereby being added, affecting State Lease Nos. 1480 and 14284, Lafourche Parish, Louisiana.

8. ASSIGNMENT

STATE LEASE NOS. 20405,
20424 and 20425, DeSoto,
Red River and Natchitoches
Parishes, Louisiana

An Assignment from Encana Oil & Gas (USA) Inc. to SWEPI LP, an undivided 50% of Assignor's right, title and interest in and to State Lease Nos. 20405, 20424 and 20425, DeSoto, Red River and Natchitoches Parishes, Louisiana, with further particulars being stipulated in the instrument.

Encana Oil & Gas (USA) Inc. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

9. ASSIGNMENT

STATE LEASE NO. 20543,
Sabine Parish, Louisiana

An Assignment from Classic Petroleum, Inc. to Chesapeake Louisiana, L.P, of all of Assignor's right, title and interest in and to State Lease No. 20543, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument.

Chesapeake Louisiana, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

B. STATE LEASE TRANSFERS
MAY 11, 2011

10. ASSIGNMENT

STATE LEASE NO. 20536,
Sabine Parish, Louisiana

An Assignment from Paramount Energy, Inc. to Chesapeake Louisiana, L.P., of all of Assignor's right, title and interest in and to State Lease No. 20536, Sabine Parish, Louisiana, with further particulars being stipulated in the instrument.

Chesapeake Louisiana, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

11. ASSIGNMENT

STATE LEASE NO. 20181,
Vermilion Parish, Louisiana

An Assignment from PetroQuest Energy, L.L.C., of an undivided interest to the following in the proportions set out below:

Yuma Exploration and Production Company, Inc.	5.00000% of 8/8ths
JGC Energy Development (USA) Inc.	9.50000% of 8/8ths
Guardian Oil & Natural Gas, Inc.	1.08300% of 8/8ths
Walter Oil & Gas Corporation	14.56289% of 8/8ths
Wagner Oil Company	5.16912% of 8/8ths
Gulf Coast Mid West Energy Capital #5 LP	0.95000% of 8/8ths
The Chalkley Exploration Group, L.L.C.	3.80000% of 8/8ths
Stone Energy Corporation	33.11100% of 8/8ths
GG Oil & Gas 1, Inc.	4.75000% of 8/8ths

in and to State Lease No. 20181, Vermilion Parish, Louisiana, with further particulars being stipulated in the instrument.

PetroQuest Energy, L.L.C. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

B. STATE LEASE TRANSFERS
MAY 11, 2011

12. ASSIGNMENT

STATE LEASE NO. 5683,
Terrebonne Parish, Louisiana

An Assignment from Castex Energy 2005 L.P., of all of Assignor's right, title and interest to the following in the proportions set out below:

Castex Energy Partners, L.P.	50% of 8/8ths
Castex Energy 2008, L.P.	50% of 8/8ths

in and to State Lease No. 5683, Terrebonne Parish, Louisiana, **INSOFAR AND ONLY INSOFAR AS** said lease covers the 1.36 acres of state acreage lying within the boundaries of the 12,800' RB VUA and only as to that certain sand between the depths of 13,013' and 13,137', with further particulars being stipulated in the instrument.

Castex Energy Partners, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

13. ASSIGNMENT

STATE LEASE NO. 14108,
Terrebonne Parish, Louisiana

An Assignment from Castex Energy 2005, L.P., of all of Assignor's right, title and interest to the following in the proportions set out below:

Castex Energy Partners, L.P.	18.75% of 8/8ths
Castex Energy 2008, L.P.	18.75% of 8/8ths

in and to State Lease No. 14108, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

Castex Energy Partners, L.P. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

B. STATE LEASE TRANSFERS
MAY 11, 2011

14. ASSIGNMENT

STATE LEASE NO. 340,
Iberia and St. Mary Parishes,
Louisiana

An Assignment from Rabbit Island, LP to Castex Energy 2005, LP, an undivided 38.889% of 8/8ths interest in and to State Lease No. 340, Iberia and St. Mary Parishes, Louisiana, **INSOFAR AND ONLY INSOFAR AS** to the geographic Areas 0 thru 6, shown on the plat attached hereto as Exhibit "A", **AND FURTHER LIMITED TO** those depths at or below 100' below the base the base of the 20 Sand, with further particulars being stipulated in the instrument.

Energy XXI Onshore LP is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

15. ASSIGNMENT

STATE LEASE NO. 19354,
Cameron Parish, Louisiana

An Assignment from Davis Petroleum Corp., of an undivided 69.50% interest to the following in the proportions set out below:

Venture Exploration Corp. d/b/a Combined Resources Group	25.00%
Stephens Production Company, LLC	22.50%
Gregco Resources Inc.	2.00%
Opal Investments LP	2.00%
Steele Creek Investment Company	1.00%
The Chalkley Exploration Group, LLC	15.00%
K.C. Whittemore	1.00%
Petroquest Resources, Inc.	1.00%

in and to State Lease No. 19354, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Davis Petroleum Corp. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

B. STATE LEASE TRANSFERS
MAY 11, 2011

16. ASSIGNMENT

STATE LEASE NO. 20377,
Cameron Parish, Louisiana

An Assignment from Davis Petroleum Corp., of an undivided 69.50% interest to the following in the proportions set out below:

Venture Exploration Corp. d/b/a Combined Resources Group	25.00%
Stephens Production Company, LLC	22.50%
Gregco Resources Inc.	2.00%
Opal Investments LP	2.00%
Steele Creek Investment Company	1.00%
The Chalkley Exploration Group, LLC	15.00%
K. C. Whittemore	1.00%
Petroquest Resources, Inc.	1.00%

in and to State Lease No. 20377, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Davis Petroleum Corp. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

17. ASSIGNMENT

STATE LEASE NOS. 19354
and 20377, Cameron Parish,
Louisiana

An Assignment from Steele Creek Investment Company to Steele Creek Energy, LLC, of all of Assignor's right, title and interest in and to State Lease Nos. 19354 and 20377, Cameron Parish, Louisiana, with further particulars being stipulated in the instrument.

Steele Creek Energy, LLC is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

B. STATE LEASE TRANSFERS
MAY 11, 2011

18. ASSIGNMENT

STATE LEASE NOS. 6629
and 13920, Caddo, DeSoto
and Tensas Parishes, Louisiana

An Assignment from Jack W. Grigsby to Grigsby Exploration L.C., of all of Assignor's right, title and interest in and to State Lease Nos. 6629 and 13920, Caddo, DeSoto and Tensas Parishes, Louisiana, with further particulars being stipulated in the instrument.

Grigsby Exploration L.C. is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

19. ASSIGNMENT

STATE LEASE NO. 7964,
Acadia Parish, Louisiana

An Assignment from Maritech Resources, Inc. to Development Oil and Gas, LLC, of all of Assignor's right, title and interest in and to State Lease No. 7964, Acadia Parish, Louisiana, with further particulars being stipulated in the instrument.

Nexen Petroleum is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

20. ASSIGNMENT

STATE LEASE NOS. 20538
and 20548, Plaquemines Parish,
Louisiana

An Assignment from Mark A. O'Neal & Associates, Inc. to Texas Petroleum Investment Company, of all of Assignor's right, title and interest in and to State Lease Nos. 20538 and 20548, Plaquemines Parish, Louisiana, with further particulars being stipulated in the instrument.

Texas Petroleum Investment Company is designated as the joint account Lessee (contact person) pursuant to State Mineral and Energy Board Resolution dated September 10, 1975.

**C. DEPARTMENT OF WILDLIFE AND FISHERIES STATE AGENCY
LEASE TRANSFERS
MAY 11, 2011**

The State Agency Leases require that any transfer of interest be approved by the Agency prior to the transfer. By Co-operative Endeavor Agreement, dated effective December 18, 2009, the Office of Mineral Resources has assumed responsibility for the administration of all State Agency Leases awarded by or on behalf of the said Department of Wildlife and Fisheries.

This section deals with transfers of interests in those State Agency Leases for the Department of Wildlife and Fisheries now under administration by the Office of Mineral Resources as staff of the Louisiana State Mineral and Energy Board and for which approval by the Board is being requested. Accompanying each item submitted in this section was an Ownership Transfer Form (Form-B) listing the pre-transfer and post-transfer interest of all party lease owners in the lease(s) herein set forth. Each document is carefully checked by the staff to ensure that the interest transfer figures are consistent with and reflect the interest in our records; and further, that all form requirements are met.

No items received for this category.

D. ADVERTISED PROPOSALS

MAY 11, 2011

La. R.S. 30:129.1 provides that certain types of agreements entered into by the State with respect to its mineral leasing activity must be advertised within a specific time of the State Mineral and Energy Board meeting at which those agreements will be acted on.

These items are called advertised items. They consist of unitization agreements, lease amendments, gas production contracts, amendments, compromise agreements and other types of agreements. These items are checked by the staff to make sure that the contents of the agreement correctly reflect the understanding of all parties, that the form is authentic and properly notarized and that the items have met the statutory advertisement requirements.

1. LEASE AMENDMENT (11-09)

STATE LEASE NO. 17309,
Terrebonne Parish, Louisiana

A Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board, Stone Energy Offshore, L.L.C., Tenkay Resources, Inc., Probe Resources, Inc., Lava Exploration, Inc., John T. Cook, Griner Energy, Inc. and Griner Exploration, LLC, whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 17309, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

2. LEASE AMENDMENT (11-10)

STATE LEASE NO. 17595,
Terrebonne Parish, Louisiana

A Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 17595, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

3. UNITIZATION AGREEMENT (11-11)

STATE LEASE NO. 19712,
Lafourche Parish, Louisiana

A Unitization Agreement by and between the State of Louisiana and Exxon Mobil Corporation, Manti Equity Partners, LP, Manti Exploration & Production, Inc., Lucas Energy Ventures II, LP, Sunbelt Energy Properties- Bully Camp, LLC, et al, to create a 80.869 acre unit, more or less, identified as the "BC RA VUC", with 3.323 acres being attributable to State Lease No. 19712 and the remaining acreage being attributable to private ownership, Bully Camp Field, Lafourche Parish, Louisiana, with further particulars being stipulated in the instrument.

D. ADVERTISED PROPOSALS
MAY 11, 2011

4. LEASE AMENDMENT (11-12)

STATE LEASE NO. 15074,
Terrebonne Parish, Louisiana

A Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 15074, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.

5. LEASE AMENDMENT (11-13)

STATE LEASE NO. 10830,
Terrebonne Parish, Louisiana

A Lease Amendment by and between the State of Louisiana, through the Louisiana State Mineral and Energy Board and Stone Energy Offshore, L.L.C., whereas said parties desire to amend the Lease to include a Force Majeure Provision and other required clauses, affecting State Lease No. 10830, Terrebonne Parish, Louisiana, with further particulars being stipulated in the instrument.